Council Communication

Department: Community Development CASE #OTB-19-020 Applicant: City of Council Bluffs	Resolution to Dispose No. _____	Public Hearing: 1/13/2020

Subject/Title

Request of the City of Council Bluffs to dispose of surplus city property associated with the former right-of-way of 29th Avenue, a roadway which has been converted to an alleyway. The subject properties are generally described as being a portion of Lots 14-15 and Lots 21-23, Block 26, Bayliss 3rd Addition, and a portion of the vacated alleys adjacent, City of Council Bluffs, Pottawattamie County, Iowa.

Location: South of 2814 S. 8th Street and 815 28th Avenue

Background/Discussion

In June of 2018, the Iowa Department of Transportation deeded to the City of Council Bluffs a portion of property near the former right-of-way of 29th Avenue, which was previously acquired by the Iowa DOT to accommodate the Interstate 80/Interstate 29 Interstate project. It was determined by the Community Development Department, Public Works Department, and City Owned Property Committee that the best course of action to dispose of these surplus properties would be to offer them to adjacent property owners in a manner that would correct any nonconformities, keep lot shapes as uniform in shape as possible, and to allow property owners reasonable use of the acquired property. It was determined that the value for each property should be established using the adopted Street, Alley, and Public Ground Vacation schedule. Since none of the properties are exclusively buildable, the City Owned Property Committee has proposed to sell the properties to adjacent property owners using a forgivable mortgage, requiring an initial 10% down payment with the remaining value being forgiven after 2 years of satisfactory maintenance of the property.

The following property owners were offered the opportunity to purchase a section of the surplus property:

- Donna K. Rutledge, owner of the property addressed as 815 28th Avenue, has indicated she is unwilling to purchase the property generally described as a portion Lots 14-15, Block 26, Bayliss 3rd Addition, and entirety of the western alleyway adjacent the West half of the Eastern alleyway adjacent.
- Proverbs 22:1, LLC, owners of the property addressed as 2823 S. 9th Street, were offered the opportunity purchase the property generally described as a portion Lots 14-15, Block 26, Bayliss 3rd Addition, and entirety of the western alleyway adjacent the West half of the Eastern alleyway adjacent. No response was received.
- Netzahualcolyotl and Rosaria Toledo, owners of the property addressed as 2814 S. 8th Street, have indicated they are willing to purchase the property generally described as a portion of Lots 21-23, Block 26, Bayliss 3rd Addition, and the East half of the vacated alley adjacent, and indicated they were willing to acquire additional property if it was made available. Without receipt of petitions to purchase the property described as a portion Lots 14-15, Block 26, Bayliss 3rd Addition, and entirety of the western alleyway adjacent the West half of the Eastern alleyway adjacent from the two other adjacent property owners, said property was offered to Netzahualcolyotl and Rosaria Toledo, which they agreed to purchase. The total area that is proposed to be sold to them is shown on Attachment B. The property contains 9,536 square feet, with a total land value established at $3,048.00.

Recommendation

The Community Development Department recommends disposing of the above described property (As shown on Attachment B) to Netzahualcolyotl and Rosaria Toledo, owners of the property addressed as 2814 S. 8th Street, for a purchase price of $3,048.00, subject to the following conditions:

1. The buyers shall pay a down payment of $304.80, with the remaining value of $2,743.20 being forgiven by the City of Council Bluffs after two (2) years of satisfactory maintenance.
2. Closing on the properties shall occur within 60 days of the date of approval.
3. Property owners shall sign an agreement not to sell the newly acquired properties separately from the properties they currently own without prior approval from the Community Development Department of the City of Council Bluffs.

Attachment A: Case map
Attachment B: Survey of Subject Property

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